

May 23, 2019

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
Saint Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**  
Docket No. G004/M-19-280

Dear Mr. Wolf:

Attached are the Comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Compliance Filing of Great Plains Natural Gas Co. – *Gas Service Quality Annual Report*

The Report was filed on April 24, 2019 by:

Tamie Aberle  
Director of Regulatory Affairs  
Great Plains Natural Gas Company  
P.O. Box 176  
Fergus Falls, MN 56538

The Department recommends that the Minnesota Public Utilities Commission (Commission) **accept the gas service quality annual report submitted by Great Plains Natural Gas Co.** The Department is available to answer any questions that the Commission may have.

Sincerely,

/s/ GEMMA MILTICH  
Financial Analyst

GM/ja  
Attachment

85 7th Place East - Suite 280 - Saint Paul, MN 55101 | P: 651-539-1500 | F: 651-539-1547

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## Before the Minnesota Public Utilities Commission

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### Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. G004/M-19-280

#### I. INTRODUCTION

On April 16, 2009, the Minnesota Public Utilities Commission (Commission) opened an investigation into natural gas service quality standards and requested comments from the Minnesota Department of Commerce, Division of Energy Resources<sup>1</sup> (Department) and all Minnesota regulated natural gas utilities in Docket No. G999/CI-09-409 (09-409 Docket). As a result, Minnesota gas utilities are required to file annual reports with information pertaining to service quality standards; these reports provide the Commission with an opportunity to review the utility's service quality metrics and determine whether the utility is meeting the relevant service quality standards. Great Plains Natural Gas Company (Great Plains or the Company) filed its 2018 annual service quality report (Report) on April 24, 2019.

#### II. DEPARTMENT ANALYSIS

In its January 18, 2011 *Order* (09-409 *Order*) in the 09-409 Docket, the Commission allowed Great Plains to delay providing certain service quality information until the calendar year beginning January 1, 2011. As a result, select tables and figures in these Comments show the Company's service quality data from 2011 - 2018, while others show data from 2010 - 2018, as applicable.

Each year, the Department analyzes the annual report information by comparing the current service quality data to that provided in prior years. The Department looks for trends and changes in the Company's service quality metrics to determine whether further information is needed and to summarize the data provided over time by the Company. In addition, the Department reviews the annual report to determine whether it complies with applicable statutes, rules, and Commission Orders. Based on its review, the Department makes a recommendation to the Commission to either accept or reject the annual report.

The Department did not identify areas of significant concern regarding Great Plains' 2018 Report. The Department's analysis provides further detail and discussion on each service quality reporting requirement in the following sections.

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<sup>1</sup> At the time the Commission opened this investigation, the Department was referred to as the Minnesota Office of Energy Security, or OES.

*A. CALL CENTER RESPONSE TIME*

Minnesota Rule 7826.1200, Subpart 1 stipulates that electric utilities must answer at least 80 percent of calls made to the utility’s business office during regular business hours within 20 seconds. Consistent with this Rule and the corresponding reporting requirements under Minnesota Rule 7826.1700, the Commission has required regulated gas utilities to provide in their annual service quality reports the percentage of business office calls answered within 20 seconds. Table 1 provides details on Great Plains’ call center response times over the past eight years.

**Table 1: Call Center Response Times for Great Plains**

<i>Calendar Year</i>	<i>Average Percentage (%) of Calls Answered in 20 Seconds or Less</i>	<i>Average Number of Seconds Before Calls were Answered</i>	<i>Total Number of Calls Answered</i>
2011	88	33 <sup>2</sup>	26,109 <sup>3</sup>
2012	89	13	24,571
2013	85	21	25,854
2014	88	18	30,466
2015	83	12	25,810
2016	83	12	21,924
2017	85	19	27,614
2018	86	13	22,979

Great Plains has demonstrated that, on average, its call center consistently answers greater than 80 percent of calls in 20 seconds or less. With the exception of years 2011 and 2013, the Company has reported data that supports an average call answering speed of fewer than 20 seconds. The Department concludes that for 2018, the Company has met both the call center service quality standard and the reporting requirements for the associated data.

*B. METER READING PERFORMANCE*

In its 09-409 *Order*, the Commission required Great Plains to report meter reading performance data in the same manner as prescribed for electric utilities in Minnesota Rule 7826.1400.<sup>4</sup> Table 2 below documents Great Plains’ meter reading performance data for years 2011 through 2018.

<sup>2</sup> Department correction: prior year Department Comments reported 35 average seconds before calls were answered for 2011. The correct average is 33 seconds.

<sup>3</sup> Department correction: prior year Department Comments reported that 21,109 total calls were answered in 2011. The correct number of total calls is 26,109.

<sup>4</sup> Minnesota Rule 7826.1400 requires that the annual service quality report include data on (1) the number and percentage of customer meters read by (a) the utility **and** (b) the customer, (2) the number and percentage of meters that have not been read by the utility for 6 – 12 months and periods longer than 12 months, and (3) the utility’s monthly meter-reading staffing levels.

**Table 2: Meter Reading Performance for Great Plains**

<i>Calendar Year</i>	<i>Percentage (%) of Meters Read by Great Plains</i>	<i>Percentage (%) of Meters Read by Customers</i>	<i>Average Number of Meter Reading Personnel</i>
2011	99.92	0.08	7
2012	99.86	0.09	8
2013	99.91	0.09	10
2014	99.91	0.09	10
2015	99.86	0.07	6
2016	99.97	0	3
2017	99.98	0	3
2018	99.98	0	3

Table 2 shows that Great Plains has consistently read the vast majority of meters, with customers taking zero or less than 1 percent of meter readings. Since implementing an automated meter reading system in May of 2015, all meter reading has been conducted by the Company through either the automated system or utility personnel. In 2018, 0.02 percent of meter readings were estimated by the automated meter reading system, and the Company took precise readings for 99.98 percent of active meters. For all years from 2011 through 2018, Great Plains reported that zero meters were left unread for a period of 6 or more months. The Department concludes that for 2018, the Company has met the meter reading performance reporting requirements.

*C. INVOLUNTARY SERVICE DISCONNECTION*

The Commission's 09-409 *Order* required Great Plains to provide involuntary service disconnection information as outlined in Minnesota Statutes §§ 216B.091 and 216B.096, which relate to the Cold Weather Rule (CWR). Table 3 provides a summary of the Company's involuntary service disconnection data.

**Table 3: Involuntary Service Disconnections for Great Plains**

<i>Calendar Year</i>	<i>Number of Disconnection Notices Mailed to Customers</i>	<i>Number of Cold Weather Rule Requests</i>	<i>Number of Involuntary Disconnections</i>
2011	7,911	30	1,293
2012	13,726	22	1,093
2013	18,868	29	1,160
2014	18,711	10	1,227
2015	8,432	18	819
2016	9,732	12	649
2017	9,375	16	743
2018	9,491	18	836

For all years documented in Table 3, 100 percent of the CWR requests were granted, and 100 percent of the involuntary connections were restored within 24 hours. Over the last eight years, 7,820 involuntary disconnections have been reported by the Company, and, of that total, 3,243 have occurred in the months of May and June (approximately 41 percent), coinciding with the termination of the CWR in April. The Department concludes that the Company has met the involuntary service disconnection reporting requirements for 2018.

*D. SERVICE EXTENSION REQUESTS*

In its 09-409 *Order*, the Commission required Great Plains to provide in its annual report the service extension request information described in items A and B of Minnesota Rule 7826.1600,<sup>5</sup> with the exception of information already provided as outlined in Minnesota Statutes §§ 216B.091 and 216B.096, Subdivision 11. The Report presents two sets of data, including service requested and subsequently extended to (1) locations that were *not* previously connected to the utility’s system and (2) locations previously connected to the system. Tables 4 and 4(a) show the service extension request data submitted by the Company.

**Table 4: Service Extension Requests for New Service Locations for Great Plains**

<i>Calendar Year</i>	<b>Residential Customers</b>		<b>Commercial Customers</b>	
	<i>Number of Service Installations</i>	<i>Average<sup>6</sup> Number of Days to Complete Installation</i>	<i>Number of Service Installations</i>	<i>Average Number of Days to Complete Installation</i>
2010	107	29	32	23
2011	3,646	6	84	10
2012	121	25	45	24
2013	132	19	31	18
2014	146	23	39	60
2015	105	35	33	19
2016	122	25	30	19
2017	104	27	17	33
2018	129	26	24	15

<sup>5</sup> Minnesota Rule 7826.1600 requires that the annual service quality report include information on the utility’s service extension request response times for each customer class and month; the utility is required to separately identify customer request data for locations not previously served *and* locations previously served.

<sup>6</sup> Department update: For both residential and commercial customers, the average number of days to complete installation for a given year was calculated by the Department as (Sum of the monthly averages of days to complete service installation/Number of months in which the Company actually performed service installations). This calculation is not the weighted average that has been used by the Department in its prior year Comments nor is it the average used by Great Plains in the Company’s Report. The Department believes its average calculation used in Tables 4 and 4(a) provides a representative average figure.

**Table 4(a): Service Extension Requests for Previously Served Locations for Great Plains**

Calendar Year	Residential Customers		Commercial Customers	
	Number of Service Installations	Average Number of Days to Complete Installation	Number of Service Installations	Average Number of Days to Complete Installation
2010	n/a <sup>7</sup>	n/a	1,857	1
2011	354	7	16	8
2012	1,047	1	679	1
2013	1,548	1	271	1
2014	1,569	1	272	1
2015	1,138	1	169	1
2016	1,051	1	211	1
2017	868	1	157	1
2018	778	1	146	1

Tables 4 and 4(a) demonstrate that the number of service extension requests for both newly and previously served locations has fluctuated over time and that service installation time for previously served locations has been significantly less than for new locations. The average number of days to complete service installations has varied from year to year for newly served locations and remained steady for previously served locations. The Department concludes that the Company has met the service extension request reporting requirements for 2018.

*E. CUSTOMER DEPOSITS*

In alignment with Minnesota Rule 7826.1900, which is applicable to regulated electric utilities, the Commission has required each natural gas utility to provide data on the number of customers required to make a deposit as a condition of receiving service. Great Plains reported that no customers were required to make a deposit as a condition of receiving new service in 2018. This is consistent with prior years, as the Company has reported collecting zero customer deposits as a condition of receiving new service every year from 2011 - 2017. The Department concludes that the Company has met the customer deposit reporting requirements for 2018.

*F. CUSTOMER COMPLAINTS*

The Commission's 09-409 *Order* required Great Plains to provide the total number of complaints received and resolved for each of several complaint categories. This requirement is similar to that outlined in Minnesota Rule 7826.2000 for electric utilities. Prior to 2013, Great Plains exclusively submitted data on calls escalated to a supervisor for resolution or forwarded to the Company by the Commission's Consumer Affairs Office (CAO); in the years following 2013, the Company has provided additional and more comprehensive data on customer

<sup>7</sup> In Great Plains' 2010 service quality report, the data on service extensions to locations previously served combined the amounts associated with commercial and residential customers.

complaints in its annual service quality reports. Table 5 summarizes select customer complaint data submitted by Great Plains and demonstrates that the majority of customer complaints have been consistently resolved upon initial inquiry from 2011 through 2018.

**Table 5: Escalated Customer Complaints for Great Plains**

<i>Calendar Year</i>	<i>Number of Complaints Escalated to a Supervisor</i>	<i>Number of Complaints Forwarded from the Consumer Affairs Office</i>	<i>Percentage (%) of Complaints Resolved Upon Initial Inquiry</i>
2011	7	1	86
2012	16	0	100
2013	28	1	96
2014	21	2	86
2015	28	0	96
2016	10	0	100
2017	16	0	75
2018	22	1	91

Table 5(a) provides details on the Company's resolution of its customer complaints. The data shows that, overall, Great Plains resolves complaints most often through either compromising with the customer or demonstrating to the customer that the circumstances giving rise to the complaint were beyond the Company's control.

**Table 5(a): Escalated Customer Complaints by Resolution Method for Great Plains**

<i>Calendar Year</i>	<b>Percentage (%) of Customer Complaints Resolved by:</b>				
	<i>Agreement with Customer</i>	<i>Compromise with Customer</i>	<i>Demonstrate that Circumstances are out of Company Control</i>	<i>Refuse Customer Request</i>	<i>Resolution Not Categorized</i>
2011	0	57	0	29	14
2012 <sup>8</sup>	13	50	0	19	19
2013 <sup>9</sup>	0	39	29	32	0
2014	0	14	67	19	0
2015	4	18	64	14	0
2016	0	50	20	30	0
2017	0	6	63	31	0
2018	0	27	32	41	0

<sup>8</sup> The Department notes that the 2012 percentages in Table 5(a) correctly reflect the percentages documented by Great Plains in its service quality report, filed May 1, 2013, under Docket No. G004/M-13-366. However, these percentages add up to 101%, rather than 100%. The Department has concluded that this discrepancy is due to rounding differences and the figures for 2012 do not contain any material inaccuracies.

<sup>9</sup> Department correction: prior year Department Comments did not update the 2013 percentages as revised in Great Plains' Reply Comments, filed May 30, 2014, under Docket No. G004/M-14-332. The percentages have been updated accordingly.

Beginning in 2014, Great Plains agreed to include data for *all* calls (rather than only those calls escalated to a supervisor) that were indicative of a concern or complaint received by its customer service center. Table 5(b) provides statistics on the Company’s resolution methods across all customer calls indicative of a concern or complaint.

**Table 5(b): All Customer Complaints or Concerns by Resolution Method for Great Plains**

Calendar Year	Total Number of Customer Complaints or Concerns	Percentage (%) of Customer Complaints or Concerns Resolved by:			
		Agreement with Customer	Compromise with Customer	Demonstrate that Circumstances are out of Company Control	Refuse Customer Request
2014	2,309 <sup>10</sup>	33	10	52	5
2015	10,945	24 <sup>11</sup>	13	61	2
2016	10,056	25	7	66	2
2017	8,970	21	5	71	3
2018	12,252	21	24	49	6

The Department concludes that the Company has met the customer complaint reporting requirements for 2018.

**G. GAS EMERGENCY TELEPHONE CALLS**

In its 09-409 *Order*, the Commission required Great Plains to provide information about the (1) Company’s emergency telephone line response time, (2) procedures the Company currently follows to handle emergency calls, and (3) the Company’s internal performance goal for answering emergency calls.

In February of 2011, Great Plains began tracking its percentage of gas emergency phone calls answered within 20 seconds. The Company explained in its Report that it has an internal performance goal of answering at least 80 percent of all calls, including emergencies, within 20 seconds.<sup>12</sup> Table 6 shows the details relevant to emergency phone calls received by Great Plains.

<sup>10</sup> Great Plains noted that this number does not reflect all calls by type and resolution for 2014 but was provided to demonstrate the Company’s continued effort towards meeting the reporting requirement for all customer complaint calls. See Docket No. G004/M-15-390 at page 3.

<sup>11</sup> Department correction: prior year Department Comments report this percentage as 25%. The correct percentage for this data point is 24%.

<sup>12</sup> 2018 Report at page 5, item 11, “Gas Emergency Phone Response Time.”



**Table 6: Gas Emergency Phone Calls Received by Great Plains**

<i>Calendar Year</i>	<i>Number of Gas Emergency Calls</i>	<i>Average Number of Seconds Before Calls were Answered</i>	<i>Percentage (%) of Calls Answered in 20 Seconds or Less</i>
2011	1,683	15 <sup>13</sup>	80
2012	1,437	13	84
2013	1,421	16	83
2014	1,702	19	79
2015	1,397	15	81
2016	1,007	12	82
2017	898	16	86
2018	612	10 <sup>14</sup>	89

Great Plains answered approximately 3 percent more of its emergency phone line calls within 20 seconds during 2018 compared to 2017. The number of emergency phone calls made to the Company has trended downwards since 2014, and Great Plains received 286 fewer emergency calls in 2018 than in 2017. The Department concludes that the Company has met the gas emergency phone call reporting requirements for 2018.

*H. GAS EMERGENCY RESPONSE TIME*

In compliance with Commission *Order* 09-409, Great Plains reports information on its response time to gas emergencies. The important metric for this reporting requirement is the amount of time elapsed between when Great Plains is first notified of the emergency and the time that a qualified emergency response person arrives at the incident location to begin making the area safe. The relevant data is documented in Table 7.

<sup>13</sup> Department correction: prior year Department Comments reported this average as 34 seconds. The correct average for this data point is 15. The relevant 2015 complaint data is documented in Schedule 11 of Docket No. G004/M-12-442, filed May 1, 2012.

<sup>14</sup> In the 2018 Report at page 5, Great Plains notes that the average answer speed was 12 seconds in 2018. However, Schedule 11 of the 2018 Report shows that the average answer speed is 10 seconds. The data reported in Schedule 11 supports the average of 10 seconds.

**Table 7: Gas Emergency Response Time for Great Plains**

<i>Calendar Year</i>	<i>Number of Emergency Calls Requiring Response</i>	<i>Percentage (%) of Calls Responded to in <b>Less than One Hour</b></i>	<i>Percentage (%) of Calls Responded to in <b>Greater than One Hour</b></i>	<i>Average Response Time in Minutes</i>
2010	582	96	4	n/a
2011	506	98	2	17
2012	367	>99	<1	14
2013	289	97	3	17
2014	159	94	6	20
2015	174	99	1	15
2016	95	95	5	23
2017	376	98	2	22
2018	456	97	3	22

Table 7 demonstrates that Great Plains has consistently responded to the vast majority of gas emergencies in less than one hour, with the Company's longest average response time being reported in the year 2016 at 23 minutes. Despite an increase of 80 in the number of emergencies calls requiring a response between 2017 and 2018, the Company was able to respond to 97 percent of the 2018 calls within one hour. The Department concludes that the Company has met the gas emergency response time reporting requirements for 2018.

*I. MISLOCATES*

The Commission's 09-409 *Order* required Great Plains to provide data on mislocates. Accordingly, the Company incorporates in its annual service quality reports (1) the number of locate tickets and (2) the number of mislocates that resulted in damage to a gas line, including damage that resulted from a mismarked line or the failure to mark a line. Table 8 summarizes the information relevant to the Company's mislocates.

**Table 8: Mislocates for Great Plains**

<i>Calendar Year</i>	<i>Number of Locate Tickets</i>	<i>Number of Mislocates</i>	<i>Percentage (%) of Mislocates Relative to Locate Tickets<sup>15</sup></i>	<i>Mislocates per 1,000 Locate Tickets</i>
2010	7,230	1	0.01	0.14
2011	7,676	6	0.08	0.78
2012	7,490	1	0.01	0.13
2013	6,867	14	0.20	2.04
2014	7,397	8	0.11	1.08
2015	8,287	14	0.17	1.69
2016	8,373	11	0.13	1.31
2017	7,626	8	0.10	1.05
2018	7,893	12	0.15	1.52

Table 8 shows that the Company’s mislocates are consistently <1 percent relative to the total number of locate tickets for all years from 2011 through 2018. Although the number of mislocates increased in 2018 compared to 2017, Great Plains had its highest number of mislocates in 2013 and 2015. The Department concludes that the Company has met the mislocate reporting requirements for 2018.

*J. DAMAGED GAS LINES*

The Commission’s 09-409 *Order* required Great Plains to provide summary data on gas line damage, including the number of damage incidents caused by (1) the utility’s employees or contractors and (2) other factors beyond the utility’s control. Table 9 outlines the Company’s gas line damage information.

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<sup>15</sup> Department update: prior year Department Comments inconsistently calculated the percentage of mislocates relative to total locates from year to year. The Department has updated the percentage calculation such that each year’s percentage is calculated as follows: (total number of mislocates/total number of locate tickets).

**Table 9: Damaged Gas Lines for Great Plains**

Calendar Year	Number of Gas Lines Damaged:			Miles of Gas Line Operated in Minnesota	Damage Incidents per 100 Miles of Gas Line
	Caused by Great Plains (A)	Caused by Factors Outside of Great Plains' Control (B)	Total (A + B)		
2011	2	28	30	507	5.92
2012	14	54	68	522	13.03
2013	9	32	41	515	7.96
2014	5	33	38	519	7.32
2015	11	37	48	524	9.16
2016	8	30	38	522	7.28
2017	10	24	34	522	6.51
2018	14	14	28	536	5.22

In prior years, factors outside the Company's control have caused the majority of gas line damages. However, of the 28 gas lines damaged during 2018, 50 percent were caused by Great Plains or the Company's contractors, and the remaining 50 percent were due to factors outside of the Company's control. For 2018, Great Plains reported just 14 damage incidents caused by factors outside the Company's control; this number is significantly lower than the corresponding data in all prior years documented. Given the atypical data reported in the current year, the Department invites Great Plains to provide in its Reply Comments an explanation or additional context around the low number of 2018 gas line damage incidents.

Great Plains is also required to include in its annual service quality report the information it provided to the Minnesota Office of Pipeline Safety (MNOPS), detailing the root cause of gas line damage and the type of infrastructure involved (*i.e.*, transmission, distribution). In addition to the 12 damage events associated with mislocates, the damage incidents in 2018 were categorized as following:

- Notification not made (5 incidents)<sup>16</sup>
- Failed to determine precise location (1 incident)<sup>17</sup>
- Failed to maintain marks (1 incident)<sup>18</sup>
- Failed to maintain clearance (7 incidents)<sup>19</sup>

<sup>16</sup> Minnesota Statutes 216D.04 Subd 1(a): Excavator did not make notification to Gopher State One Call (*i.e.*, no locate ticket).

<sup>17</sup> Minnesota Statutes 216D.04 Subd 4(a): Excavator failed to determine the precise location of marked facility, within 2 feet each side of locate marks, prior to starting excavation (*i.e.* damaged by excavation equipment, not potholing, no hand digging).

<sup>18</sup> Minnesota Statutes 216D.04 Subd 4(d): Excavator failed to maintain, preserve, or protect marks (*i.e.* marks destroyed after work started).

<sup>19</sup> Minnesota Statutes 216D.05 (3): Excavator failed to maintain clearance between underground utility and cutting edge of equipment (*i.e.* damaged by bucket, damaged by directional drill, damaged by trencher).

- Failed to protect and support during excavation (2 incidents)<sup>20</sup>

The Department concludes that the Company has met the gas line damage reporting requirements for 2018 and invites Great Plains to provide in its Reply Comments an explanation or additional context around the number of 2018 gas line damage incidents.

*K. SERVICE INTERRUPTIONS, INCLUDING MNOPS REPORTABLE EVENTS*

In its 09-409 *Order*, the Commission required Great Plains to provide a summary of (1) service interruptions caused by system integrity pressure issues and (2) major incidents based on MNOPS incident reports. Table 10 below provides details on the Company’s service interruptions.

**Table 10: Service Interruptions for Great Plains**

Calendar Year	Number of Service Interruptions:			Total Number of Customers Affected	Average Duration of Interruption in Minutes <sup>21</sup>
	Caused by Great Plains (A)	Caused by Factors Outside of Great Plains’ Control (B)	Total (A + B)		
2011	22	3	25	113	190
2012	13	35	48	115	200
2013	7	22	29	221	347
2014	3	26	29	123	1,064
2015	9	25	34	250	2,080
2016	6	32	38	213	996
2017	10	24	34	146	674
2018	14	14	28	252	135

Table 10 shows that the total number of service interruptions has decreased each year since 2016. The number of customers affected by an interruption and the average outage duration depend on both the number *and* nature of interruptions that occur throughout the year. It follows that the number of customers affected by an interruption and the average outage duration do not fluctuate in direct proportion to the number of service interruptions. The Department also notes that in both 2017 and 2018, the Company reported identical numbers for gas service interruptions and gas line damages (gas line damages are documented in Table 9

<sup>20</sup> Minnesota Statutes 216D.05 (4): Excavator failed to support or protect exposed facilities (*i.e.* no supports under utility causing damage, soil damaged by during excavation).

<sup>21</sup> Department update: prior year Department Comments calculated the average duration of outages inconsistently from year to year. The Department has updated the calculation such that each year’s average interruption duration is calculated as follows: (Sum of the monthly averages of interruption duration/Number of months in which one or more interruptions actually occurred). The Department further notes that this calculation differs from the weighted average used by Great Plains in the Report. The Department believes that its calculation provides a reasonable representation of the average interruption duration.

of these Comments). These reported figures would indicate that for 2017 and 2018, every gas line damage incident caused a service interruption and every service interruption was caused by gas line damage. However, in earlier years (2011 - 2016), the number of gas line damage incidents and service interruptions do not perfectly align with one another. Because of the atypical data reported by the Company, the Department asks that Great Plains confirm in its Reply Comments the accuracy of the number of gas line damage incidents and service interruptions reported in 2017 and 2018.

In November of 2018, Great Plains had a service interruption that impacted 195 customers and was reported to MNOPS. This interruption occurred in Montevideo, MN and was caused by a third party contractor who hit the PVC line while hand-digging with a shovel. The following Table 11 provides the historical data on the Company's MNOPS reportable events.

**Table 11: MNOPS Reportable Interruptions for Great Plains**

<i>Calendar Year</i>	<i>Number of MNOPS Reportable Interruptions</i>
2010	0
2011	3
2012	0
2013	1
2014	0
2015	1
2016	0
2017	0
2018	1

The Department concludes that the Company has met the service interruption reporting requirements for 2018.

**L. CUSTOMER SERVICE RELATED OPERATIONS/MAINTENANCE EXPENSES AND PAYROLL TAXES AND BENEFITS**

In its 09-409 *Order*, the Commission required Great Plains to report (1) customer service-related operation and maintenance (O&M) expenses, accounted for under the Federal Energy Regulatory Commission (FERC) 901 and 903 accounts and (2) payroll taxes and benefits. The Company's Report presents these expenditures together and combines the related data into a single schedule. Table 12 summarizes the O&M expense and payroll taxes/benefits data submitted by Great Plains.

**Table 12: Customer Service-Related O&M Expenses Plus Payroll Taxes and Benefits for Great Plains**

<i>Calendar Year</i>	<i>Customer Service O&amp;M Expense Plus Payroll Taxes &amp; Benefits: Total in Dollars (\$)</i>	<i>Customer Service O&amp;M Expense Plus Payroll Taxes &amp; Benefits: Monthly Average in Dollars (\$)</i>
2010	367,196	30,600
2011	349,451	29,121 <sup>22</sup>
2012	347,607	28,967
2013	364,517	30,376
2014	362,198	30,183
2015	650,117	54,176
2016	701,088	58,424
2017	636,475	53,040
2018	559,860	46,655

While total O&M expenses plus payroll taxes and benefits increased dramatically between 2014 and 2015,<sup>23</sup> the trend from 2016 through 2018 shows a decline in the total and monthly average amounts for these expenditures. The Department concludes that the Company has met the expenditure reporting requirements for 2018.

*M. DISTRIBUTION SYSTEM PERFORMANCE MEASURES*

The Commission *Order* for Docket No. G004/M-18-286, issued April 12, 2019, required Great Plains to report the following additional information in its 2018 annual report:

- a. The utility's filing under 49 CFR 192.1007 (e): integrity management plan performance measures; monitoring results; and evaluation of effectiveness in a manner to establish a baseline for ongoing reports.
- b. A summary of any 2018 emergency response violations cited by MNOPS along with a description of the violation and remediation in each circumstance.
- c. The number of violation letters received by the utility from MNOPS during the year in question.
- d. A discussion of how to provide ongoing monitoring and metrics towards the deployment of Excess Flow Valves and manual service line shutoff valves pursuant to the Commission's order in Docket No. G-999/CI-18-41.

<sup>22</sup> Department correction: In previous Comments, the Department reported a \$27,121 monthly average for 2011. The correct average is \$29,121.

<sup>23</sup> In its service quality report for 2015 (Docket No. G004/M-16-357), Great Plains indicated that costs associated with credit and collection and customer service were not being properly allocated to Great Plains. An additional \$219,095 was recorded in September 2015 to account for the misallocation.

The following sections 1 – 4 provide additional details on the Company’s reported performance measures.

1. *Distribution Integrity Management Plan Performance Measures*

Great Plains provided information on its Distribution Integrity Management Plan (DIMP) in the 2018 Report, and provided the 2013 - 2017 five-year average as a baseline for comparison. Table 13 and Table 13(a) summarize select DIMP data submitted by Great Plains.

**Table 13: The Cause of Leaks Repaired for Great Plains**

<i>Leak Cause</i>	<b>5-Year Average for Years 2013 - 2017</b>		<b>Year 2018</b>	
	<i>Number of Hazardous Leaks Repaired</i>	<i>Total Leaks Repaired</i>	<i>Number of Hazardous Leaks Repaired</i>	<i>Total Leaks Repaired</i>
Corrosion	0	0.4	0	3
Natural Forces	2.4	7.6	0	0
Excavation	35.2	36.6	24	28
Other Outside Forces	1.2	1.8	2	4
Material Failure	3.6	38.6	2	101
Equipment Failure	1.8	30.6	0	45
Incorrect Operations	0	0.2	0	0
Other Unknown/Missing	0	3.8	0	7
<b>Total</b>	<b><u>44.2</u></b>	<b><u>119.6</u></b>	<b><u>28</u></b>	<b><u>188</u></b>

**Table 13(a): The Material Associated with Hazardous Leaks Repaired for Great Plains**

<i>Leak Material</i>	<b>5-Year Average for Years 2013 - 2017</b>	<b>Year 2018</b>
	<i>Number of Hazardous Leaks Repaired</i>	<i>Number of Hazardous Leaks Repaired</i>
Coated Steel	4	1
Bare Steel	0	1
Plastic	18	13
PVC	21	13
<b>Total</b>	<b><u>43</u></b>	<b><u>28</u></b>

Tables 13 shows that both hazardous and non-hazardous gas line leaks are most commonly caused by the excavation process and material failures, making these the highest risk factors for Great Plains’ gas line leaks.



## *2. Emergency Response Violations Cited by MNOPS*

Great Plains indicated that the Company did not have any emergency response violations cited by MNOPS for 2018.

## *3. Violation Letters Received by Great Plains from MNOPS*

Great Plains indicated that the Company did not receive any violation letters from MNOPS in 2018.

## *4. Monitoring and Metrics for Excess Flow Valve Deployment and Manual Service Line Shutoff Valves*

In its Report, the Company included a brief discussion about how to provide ongoing monitoring and metrics towards the deployment of Excess Flow Valves (EFVs) and manual service line shutoff valves pursuant to the Commission's *Order* in Docket No. G-999/CI-18-41. Great Plains suggested that the data documented by the Company in the annual MNOPS 7100 report be used to monitor the system's EFV deployment and manual service line shut off valves. The Company's 7100 MNOPS report for 2018 showed that (1) an estimated 5,000 total number of services had EFVs in the system as of yearend and (2) an estimated 19 services had manual service line shutoff valves installed on the system as of yearend.<sup>24</sup>

### **III. DEPARTMENT CONCLUSIONS AND RECOMMENDATIONS**

Based on its review, the Department concludes that Great Plains has met all the applicable reporting requirements and recommends that the Commission accept Great Plains' 2018 Annual Service Quality Report.

The Department also recommends that the Commission continue to require Great Plains to report its distribution system performance measures as outlined in item 3 in the Commission *Order* for Docket No. G004/M-18-286, issued April 12, 2019.

In addition, given the atypically low number of damage incidents caused by factors outside of Great Plains' control for 2018, the Department invites Great Plains to provide in its Reply Comments an explanation or additional context around the reported number of 2018 gas line damage incidents.

Finally, given the unusually precise alignment of the number of gas line damage incidents and service interruptions reported for 2017 and 2018, the Department asks that Great Plains confirm in its Reply Comments the accuracy of the number of gas line damage incidents and service interruptions for 2017 and 2018.

/ja

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<sup>24</sup> See page 7 of Report Schedule 13.

## **CERTIFICATE OF SERVICE**

I, Linda Chavez, hereby certify that I have this day served copies of the following document on the attached list of persons by electronic filing, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

### **MINNESOTA DEPARTMENT OF COMMERCE – COMMENTS**

Docket Nos. **G004/M-19-280**

Dated this **23rd** day of **May, 2019**.

/s/Linda Chavez

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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Tamie A.	Aberle	tamie.aberle@mdu.com	Great Plains Natural Gas Co.	400 North Fourth Street Bismarck, ND 585014092	Electronic Service	No	OFF_SL_19-280_M-19-280
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_19-280_M-19-280
Ian	Dobson	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_19-280_M-19-280
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_19-280_M-19-280
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_19-280_M-19-280